

Department of the Interior

Supplemental Guidance on Measuring Performance in the Implementation the Department of the Interior Space Management Policy

I. Purpose

The Department is committed to ensuring economical assignment and utilization of office, warehouse, laboratory and housing space in fulfilling mission needs and requirements while the Department's Space Management Program is designed to strengthen management decision-making at all levels throughout the lifecycle of owned, leased and GSA-assigned space, from acquisition through disposition. This supplemental guidance provides managers at all levels a framework of the Department of the Interior's methodology to monitor implementation of the space management policy and verify the performance of organizations in implementing a strengthened space management program.

This supplemental guidance, as with the Space Management Policy (425 DM)¹ applies to all bureaus and offices in the Department. It covers Interior owned and leased space including, and is not limited to, office and warehouse space. It applies to all DOI occupied, utilized or controlled space including space acquired through purchase, lease, construction, GSA-assigned space in Federally owned or leased buildings, donations, exchanges, excess, agreements, and transfers.

The performance metric baseline prescribed in this guidance constitutes the "as is" status of the space management program. The performance metrics targets also prescribed in this guidance will aid in creating the "to be" environment envisioned by the Asset management Plan and other policy and guidance documents.

The space performance measures contained in this guidance provide an initial baseline of information and chart the path for management improvements. Metrics provide the opportunity to measure the success of investment decisions and demonstrate performance at the portfolio as well as at the individual asset level. Metrics are used to help decision-makers and act as a supplement to other management considerations.

II. Structure of this Guidance

This Guidance is comprised of the following components:

- I. Purpose
- II. Structure of the Guidance
- III. Performance Metrics
- IV. Establishment of a Baseline
- V. Continuous Performance Reporting
- VI. Outcomes of the Analysis of Performance Metrics
- VII. Timeline for Implementation

¹ 425 DM is currently in draft and will be officially issued once the final Departmental clearance review is completed.

Department of the Interior

Supplemental Guidance on Measuring Performance in the Implementation the Department of the Interior Space Management Policy

III. Performance Metrics

Metrics identified in the following table² are based on data reported into the Federal Real Property Profile (FRPP) and the Exhibit 54. Metrics to track owned, direct leases and GSA assigned space. Metrics can track performance at the portfolio-level or by individual assets. Additional second-tier metrics will be identified as the program evolves.

First Tier Metrics³

	Owned Space	Direct Lease Space	GSA Assigned Space
Source	Federal Real Property Profile (FRPP)	Federal Real Property Profile (FRPP)	Exhibit 54 Space Budget Justification
Performance Metrics ⁴	<ul style="list-style-type: none"> Utilization Condition Index Mission Dependency Annual Operating Costs 	<ul style="list-style-type: none"> Utilization Condition Index Mission Dependency Annual Operating Costs 	<ul style="list-style-type: none"> Utilization Tenant Improvement Index Mission Dependency Annual Operating Costs
Utilization ⁵	Ratio of occupancy to current design capacity <ul style="list-style-type: none"> Over Utilized (>95%) Utilized (75 – 95%) Under Utilized (<75%) SQ FT of Office Space SQ FT of Warehouse 	Ratio of occupancy to current design capacity <ul style="list-style-type: none"> Over Utilized (>95%) Utilized (75 – 95%) Under Utilized (<75%) SQ FT of Office Space SQ FT of Warehouse 	Within utilization threshold of 200 square foot per person <ul style="list-style-type: none"> SQ FT of Office Space SQ FT of Warehouse

² This table details four first-tier performance metrics that reported in the FRPP: Utilization, Condition Index, Mission Dependency and Annual Operation Costs. Detailed information on each of these metrics, including guidance on performance evaluation for owned space and direct lease space, is accessed by hyperlink - click on the title of the performance measure.

³ Validation and verification of all data will be performed to ensure the metric results are valid. This process is ongoing, as the FRPP is updated in real time.

⁴ These are first-tier metrics. Second tier metrics, to provide greater detail, will be created as noted in the timeline found in Section VII of this guidance. These second-tier metrics will be determined once the first tier metrics are in place and analyzed.

⁵ [DOI Utilization Guidelines](#), issued October 2005, provide assistance to asset managers in determining the utilization value of assets to be captured in the Federal Real Property Profile (FRPP) in FY 2006. This guidance covers four predominant use categories of constructed assets (Offices, Warehouses, Housing, and Laboratories)

Department of the Interior

Supplemental Guidance on Measuring Performance in the Implementation the Department of the Interior Space Management Policy

	Owned Space	Direct Lease Space	GSA Assigned Space
Condition Index (link when posted on website)	Improve overall condition of office and warehouse space (as measured by the FCI) – Avg. FCI of all assets	Improve overall condition of office and warehouse space (as measured by the FCI) – Avg. FCI of all assets ⁶	<u>(Tenant Improvement Index)</u> Within tenant improvement allowance for new and renewed assignments
Mission Dependency ⁷	Annual percent reduction in the total number of office and warehouse space reported as “not mission dependent” in the FRPP Value an asset brings to the performance of the mission <ul style="list-style-type: none"> • Mission Critical (1) • Mission Dependent, Not Critical (2) • Not Mission Dependent (3) 	Annual percent reduction in the total number of office and warehouse space reported as “not mission dependent” in the FRPP Value an asset brings to the performance of the mission <ul style="list-style-type: none"> • Mission Critical (1) • Mission Dependent, Not Critical (2) • Not Mission Dependent (3) 	Value an asset brings to the performance of the mission ⁸ <ul style="list-style-type: none"> • Mission Critical (1) • Mission Dependent, Not Critical (2) • Not Mission Dependent (3)
Annual Operating Costs ⁹	Annual Operating Cost per SQ. FT. ¹⁰	Annual Operating Cost per SQ. FT ¹¹	Annual lease costs within budget estimate via Exhibit 54 Space Budget Justification

⁶ Metric for condition index is only for those assets acquired through direct lease in which DOI has delegated authority to improve.

⁷ The Asset Priority Index Guidance, issued September 2005 establishes the standard for developing an API framework, determining an API score, interpreting an API score and validating scores

⁸ DOI will, in consultation with GSA, determine appropriate methodology for implementation of this metric as it relates to GSA-assigned space.

⁹ Operations and Maintenance Costs Methodology, issued July 2005, provides guidance on identifying annual recurring maintenance and repair costs that are currently captured by the Interior bureaus at the constructed asset level. In addition, Sustainment Cost Template for Constructed Assets, issued August 2005, gives an overall picture of whether a particular asset should be repaired, renewed or disposed.

¹⁰ This includes recurring maintenance and repair costs, utilities, cleaning and/or janitorial costs, roads/grounds expenses.

¹¹ This includes annual lease costs plus any additional government operating expenses not covered in the lease.

Department of the Interior

Supplemental Guidance on Measuring Performance in the Implementation the Department of the Interior Space Management Policy

IV. Establishment of a Baseline

Baseline data for the metrics is to be established with the initial review¹². This enables a comparison of performance of a portfolio or an asset over a given time period. To set a baseline, it is incumbent that performance metrics are accurately and completely reported and that senior management certifies the thoroughness of reported metrics.

Baseline metrics are to be established at the portfolio-level for the Department, for each bureau and for each site. Baseline metrics for each asset are required to establish bureau portfolio-level baseline metrics, and then Departmental portfolio-level baseline metrics. Space program managers in the Office of Acquisition and Property Management (PAM) and within each bureau will set the baseline. Baseline data elements for assets owned and direct leases are currently available in the FRPP. Baseline data elements for GSA-assigned space are available in the current Exhibit 54, or maintained at the bureau level in other data bases.

V. Continuous Performance Reporting

Annually each site reports asset data, assembled by the bureau for reporting portfolio-level data to the Department. The space program managers in PAM assemble these reports for a Departmental portfolio-level report. Performance metrics are accessed from the FRPP (owned and direct leases) and Exhibit 54 (GSA-assigned space). Space program managers in PAM and within each bureau will continually track performance and report metrics for daily decision-making concerning individual assets.

Analyzing Performance

Space program managers in PAM and space managers within each bureau will establish and update:

- 1) Models for analyzing the metrics;
- 2) A dashboard¹³ for effectively displaying performance at the portfolio-level and for individual assets; and
- 3) Synthesize and aggregate the data reflected in dashboard into reports and analyses for Department and bureau senior leadership and to guide investment decisions at all levels.

¹² Baseline metrics for all bureau individual assets are the building blocks of the initial review. Individual assets must be measured, then consolidated measurements made where appropriate (for example, at the campus, regional, bureau or Departmental levels)

¹³ "Dashboard" is a term of art referring to dashboard metrics. This is a process of displaying various metrics in graphic forms to assist in understanding the analysis.

Department of the Interior

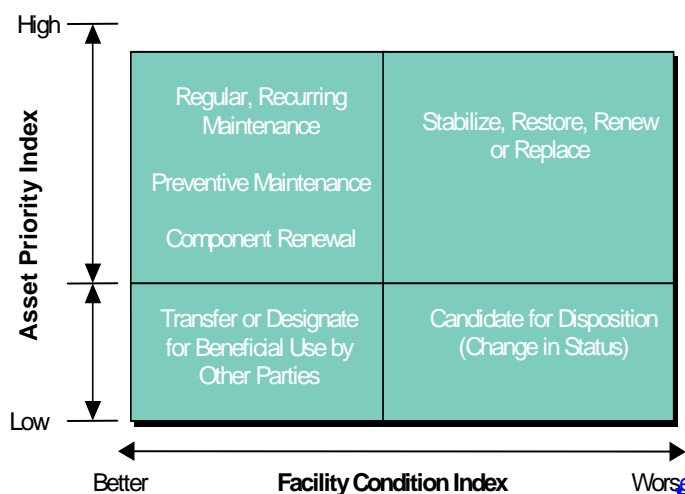
Supplemental Guidance on Measuring Performance in the Implementation the Department of the Interior Space Management Policy

Space program managers in PAM and space managers within each bureau jointly analyze the metrics produced through this process. The space program managers in PAM will select a standard model for use across the portfolio by the bureaus in analyzing the metrics. This model will use all available data displayed in a graphic presentation to help present issues as simply as possible. The space program managers in PAM will prepare consolidated, analyzed reports from the model for Departmental and senior bureau leadership to assist in guiding their investment decisions.

The performance measures shown graphically will assist in making management and funding decisions. Prioritizing assets based on their importance to the mission is one of the most significant criteria used in determining where to focus funds. Scatter diagrams, charting the relationship of mission dependency to other data criteria is one method of displaying this information. Utilizing scatter diagrams to chart the mission dependency to condition index, annual operating costs, utilization or substitutability of the portfolio provides focus for limited funding.

VI. Outcomes of the Analysis of Performance Metrics

At the bureau and site level, managers of owned facilities can use individual performance metrics or several metrics to help make resource allocation decisions. For example, managers can use the API and the FCI to aid in decision-making (see the Diagram below). For GSA-assigned or leased space, managers can use API in conjunction with other metrics such as utilization and/or cost per square foot to ensure that GSA-assigned assets are being utilized effectively.



At the Departmental level, portfolio trend analysis (utilization, costs, mission dependency, condition index (owned), tenant improvement index (GSA-assigned)) will help to identify best practices, areas of interest, policy/guidance clarification, etc.

Department of the Interior

Supplemental Guidance on Measuring Performance in the Implementation the Department of the Interior Space Management Policy

VII. Timeline for Implementation

Action	Lead DOI/ Bureau	Due Date	Performance Measures The Action Is Completed When:
Completion of baseline bureau level	Bureau	Q1 07	All assets at the bureau level have been measured against the 1st tier metrics
Completion of baseline Departmental level	DOI	Q2 07	All assets at the Departmental level have been measured against the 1st tier metrics
Selection of Departmental-wide standard model for analysis of metrics	DOI	Q3 07	Documented model for analysis accepted
Creation of annual report bureau level	Bureau	Q2 08	Annual Report submitted by bureaus to DOI
Creation of annual report Departmental level	DOI	Q4 08	DOI completes annual report
Bureaus create targets for improvement of metrics, including reduction of unneeded assets ¹⁴	Bureau	Q1 08	Bureaus submit milestones to PAM space office for approval ¹⁵
Creation of 2 nd Tier Metrics ¹⁶	DOI	Q2 09	2 nd tier metrics are formally accepted
Completion of 2 nd Tier metrics bureau level	Bureau	Q4 09	All assets at the bureau level have been measured against the 2 nd tier metrics
Creation of annual 2 nd Tier Metrics report Bureau level	Bureau	Q1 10	Annual Report submitted by bureaus to DOI
Creation of annual 2 nd Tier Metrics report Departmental level	DOI	Q3 10	DOI completes annual report

¹⁴ To provide accurate data for trend analysis, three years of FRPP data are required. This amount of FRPP data will not be available until Q4 2007, requiring the targeting for improvement action to be set after that quarter. Less than three years of data may not disclose all trends or opportunities for improvement.

¹⁵ Space managers in PAM will coordinate milestones with each bureau and ensure the milestones are reflected on asset management timelines. Between bureaus, timelines may vary significantly dependent upon opportunities presented and associated costs for reductions.

¹⁶ 2nd tier metrics may include collocation efforts, utilization of space by FTE, and normalizing O&M by location. While this list is not all inclusive, it is the starting point for 2nd tier metrics; complete metrics will be settled on once the 1st tier metrics are analyzed to determine areas needing further attention.